CONCORDIA UNIVERSITY

BOARD OF GOVERNORS

CONCORDIA EMPLOYEE BENEFITS COMMITTEE

Meeting of October 30, 1978

Attendance: Mr. H. Hemens, Chairman, Mr. E.A. Lemieux, Mr. W.M. Reay, Prof. C. Goldman, Dr. C. Potter, Prof. G. Martin, Mr. P. Wolf, Miss M.D. Johnson and Mr. B. Morency of William M. Mercers Ltd.

New Committee Members: Dr. Calvin C. Potter, Faculty Representative and Mr. Paul Wolf, Non-Faculty Representative were welcomed by the Chairman.

Minutes of the Meeting of September 27, 1978

Prof. C. Goldman proposed that the minutes be approved as circulated; the motion was seconded by Mr. W.M. Reay and unanimously carried.

Pension Plan Document

The amended Plan Document had been circulated to members of the Committee for their review. It was pointed out that in Section 7.3, line 1 should read:

"The maximum annual pension payable under the Plan..."

Also, in Section 14.1, line 1 the spelling of the word maintain should be corrected.

Dr. Potter noted that in Section 14.1, under "Future of the Plan", there was no provision for consulation with the members in the event the University deemed it necessary to terminate the Pension Plan. In view of the substantial financial impact upon the membership Dr. Potter also felt this clause should be expanded to clearly define the guaranteed rights of the Members.

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Mr. Morency explained that the Plan was registered with both the Department of National Revenue and the Quebec Pension Board and the legislation of both governments provided for equitable distribution of the assets among the Members. Also, legislation prevented the University from appropriating any of the pension funds.

It was also noted that there were certain final decisions that had to be left in the hands of the Board of Governors, otherwise effective administration of the University would be rendered impossible.

It was generally agreed that Members rights were adequately protected and Prof. Carl Goldman moved that the document, including the corrections to Section 7.3 and Section 14.1, be presented to the Personnel Committee for submission to the Board of Governors. The motion was seconded by Prof. Martin and unanimously carried.

Trust Agreement

It was noted that a document which met with the requirements of legal counsel, the Trustee and the consultants was not yet available and the matter was tabled until the next meeting.

Quebec Auto Insurance

The study and recommendations prepared by William M. Mercer Ltd. had been circulated to the members of the Committee. The pros and cons of integration were discussed with respect to the Short Term Sick Leave Plan and the Long Term Disability Insurance Plan.

It was generally agreed that integration with our Short-Term Sick Leave Plan would be extremely difficult in view of anticipated delays in payment from the Quebec Automobile Insurance Plan, the nature of our attendance reporting and confidentiality of Automobile Insurance Plan claim information.

Mr. Wolf expressed his concern with any recommendation to integrate with the Long Term Disability Plan at a level which was less than 100% of a member's salary due to the fact that this could place some members in a more advantageous position than others, depending upon their tax exemption declaration.

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The pros and cons regarding integration with the Long Term Disability plan and non-integration with the Sick-Leave plan were also discussed in detail.

Mr. Hemens requested that we obtain further information from the carrier, Canada Life, indicating the position of the insurance industry with respect to integration. This item was tabled for further discussion upon receipt of the above-noted information from Canada Life.

Reciprocal Transfer Agreements

Copies of the documents relating to Reciprocal Transfer Agreements had been submitted to the new Members of the Committee as background information. The Chairman noted that funding limitations had led the Committee, in the previous discussions, to concentrate on Option "C" with its estimated cost of .3% of Payroll.

Prof. Martin noted that our global Benefits costs, as a percentage of payroll, were very close to the upper limits for all Universities in the Province, therefore, our scope for added Benefits expenditures was limited.

The issue of the limited population taking advantage of Reciprocal Transfer Agreements was discussed, including the possibility of, in effect, setting up two classes of employees; those who could take advantage of the privilege with their new employers and those who could not.

Prof. Goldman noted that he preferred an option which provided a similar advantage to all employees but that previous discussions had led him to the conclusion that, financially, the only option feasible was Option C.

The Chairman agreed that previous discussions had narrowed down to the following three choices:

1) Recommend Option C
2) Reject Option C

OR 3) Obtain further information to facilitate a decision.

It was noted that the list of Universities and other organizations entering into Reciprocal Transfer Agreements with the Federal Government was three years old and more recent information should be obtained if it was available. It was also noted that more information might come out of Mr. Waters' survey of the various Universities across Canada. The matter was tabled until the results of the survey are known.

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Prof. Goldman reminded the Committee that Investment Management had not been discussed at the last two meetings and in view of the commitment to monitor McLean Budden's performance closely this year he felt it should be a primary agenda item at the next meeting. All members agreed with the suggestion.

The date for the next meeting was tentatively set for Tuesday, November 28th. The meeting adjourned at 2:00 P.M.

Respectfully Submitted

M.D. Johnson

Miss M.D. Johnson, for
Mr. Colin Waters, Secretary